

Steve Hamlen
President & CEO

United Utilities, Inc.

Affiliate of Unicom



February 18, 2004

Mr. William Igkurak
Chair, Board of Directors
Qemirtalek Coast Corporation
P.O. Box 5070
Kongiganak, AK 99559

Dear Mr. Igkurak:

LEASE: KONGIGANAK

United Utilities, Inc. (United) has been notified by the Regulatory Commission of Alaska (RCA) that it has been selected as a potential recipient of grant funds to provide Broadband Internet Access services to the community of Kongiganak. Please find enclosed a copy of the letter from the Kongiganak Traditional Council dated October 29, 2003 confirming its support for grant funds to deliver Broadband Internet service to Kongiganak and other assistance to enable us to deliver this service to the community. United is now in the final stages of the Broadband grant process including formalization of a training plan and plans to work with the community to have a community access facility.

In order to move forward with this project, United will need to lease a portion of property situated along the existing boardwalk near the water pumping facilities in Kongiganak. Our preference is to lease the area near the water pumping facilities because it is situated on the edge of the village of Kongiganak, as opposed to being in the center of the community. It is our understanding that Qemirtalek Coast Corporation (Qemirtalek) owns this property. Please find enclosed a map showing the location of the property we would like to lease.

We would like to lease an area of approximately twenty thousand (20,000) square feet and erect a 230 foot telecommunications tower (which will look similar to the KYUK tower located in downtown Bethel), a 16 foot X 30 foot operations building, and one or more smaller buildings, to house our telecommunications equipment and other related equipment on the property. The tower and the building would be constructed on piling, which we would install. The tower will be lighted in accordance with FAA requirements. We will arrange for the installation of all utilities to the tower and the building. It is our intention to fence both the perimeter of the tower and the building.

During the initial construction phase of the project, it will be necessary for United and its

An Alaskan Native Owned Corporation

5400 A Street
Anchorage, AK 99518-1207

<http://www.uui-alaska.com>

(907) 561-1674

Fax (907) 562-0105

affiliates to bring construction equipment onto the property via an approved barge landing site closest to the property. At times, and particularly while we are using heavy equipment, installing piling and erecting the operations building, construction will be somewhat noisy. However, we anticipate that it will take approximately two weeks to complete the pile driving and a further two weeks of heavy construction. Thereafter our operations will not cause disturbance to the community.

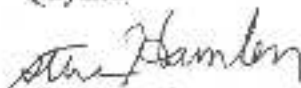
The proposed Ground Lease Agreement is enclosed for your consideration. We have proposed a long term lease (twenty years) with an option to renew. The proposed initial rental rate of \$300 per month is consistent with our research and the rent that United is paying to lease land for similar purposes at other locations in the region.

It will also be necessary to enter into an Easement and Right-of-Way with Qemirtalek for a fifteen (15) foot wide easement across the land to lay communications cable, power and other utility lines for telecommunications purposes. A draft Easement and Right-of-Way is also attached for your consideration.

Please let us know whether there is an approved barge landing site situated on Qemirtalek's property. If so, United would also request access and use of any such barge landing.

United is committed to working with Qemirtalek and the traditional council to bring the latest in Broadband Internet and other telecommunications services to community members. We are hopeful that we can obtain Qemirtalek's approvals soon so that this project can move forward. If you are satisfied with the proposed Ground Lease Agreement, please sign both copies of the lease and return same to us for execution and recording. We would also be grateful if you would allow us access to the property in question as soon as possible in order to take preliminary soil samples. Please contact Jill McLeod (907-273-5290), or myself (907-273-5210), as soon as possible.

Quyana,


Steve Hamlen

Enclosures:	Letter from the Kongiganak Traditional Council dated October 29, 2003 Map of property location Ground Lease Agreement Draft Easement and Right-of-Way
CC:	Mr. Tommy Phillip, President, Kongiganak Traditional Council Mr. Evon Azean, Land Committee, Kongiganak Traditional Council
CC Enclosures:	Letter from the Kongiganak Traditional Council dated October 29, 2003 Map of property location

KONGIGANAK TRADITIONAL COUNCIL

P.O. Box 5069
Kongiganak, Alaska 99559
Phone: 557-5226
Fax: 557-5224

October 29, 2003

Cheryl Bowie
Marketing Representative
United Utilities Inc.
5450 A Street
Anchorage, Alaska 99518-1291

RE: USDA RUS Rural Broadband Grant Program

Dear Ms. Bowie:

The undersigned support United Utilities (UUI), application for grant funds to deliver broadband Internet (high-speed Internet) service to our community.

We will support UUI in providing service to our community by the following:

Our organization agrees to work with UUI to provide community based access at our facility free of charge for period of two (2) years in accordance with the RUS Broadband Grant Specifications.

We agree to provide UUI assistance in establishing Right of Way access if needed.

UUI agrees to send an employee of our choosing to the VMJ training through Sheldon Jackson College.

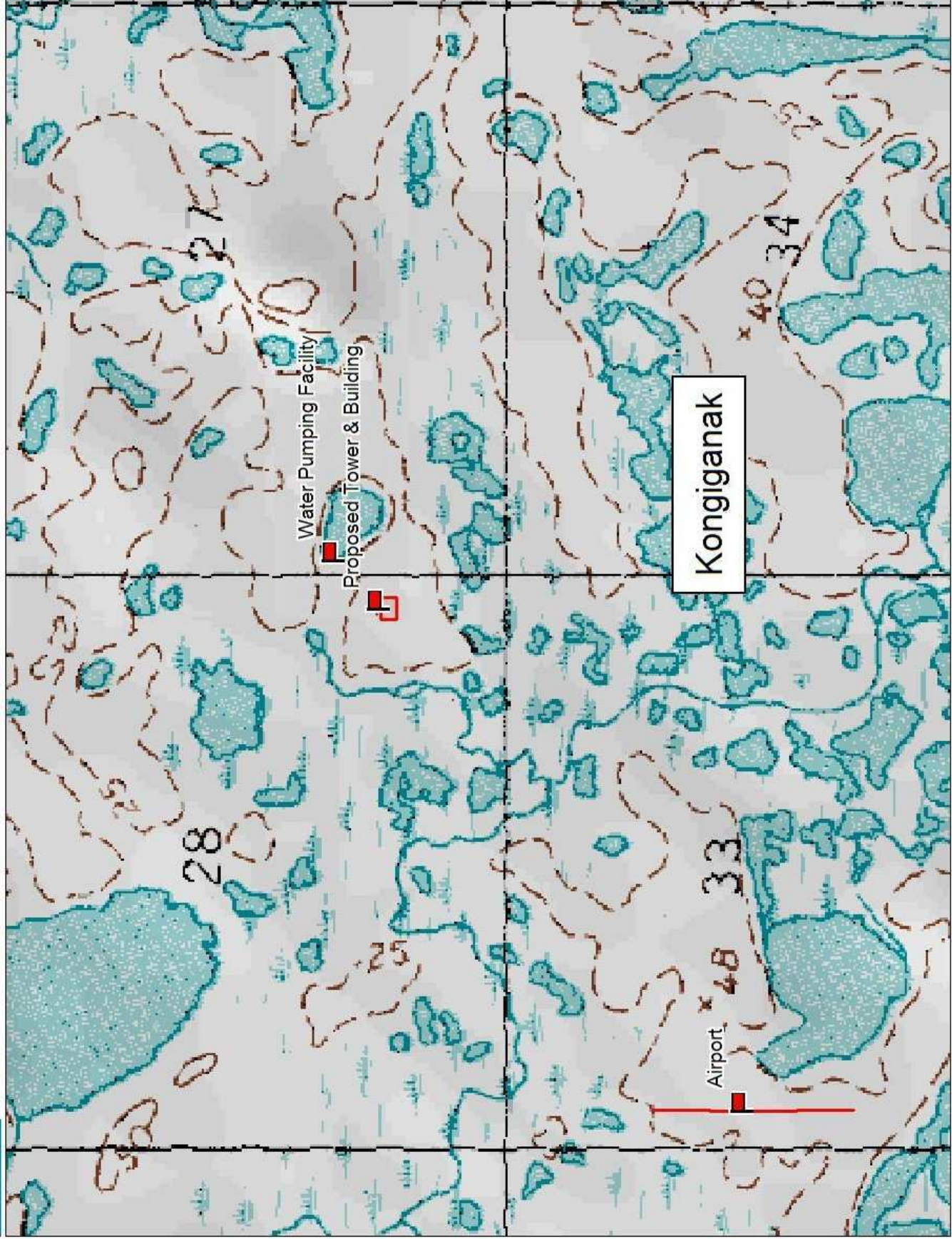
We will provide the space and power to the community access point, one (1) computer with Broadband access in our facility, and facilitate the usage by the community.

This agreement is in partnership with United Utilities, Inc. and we understand that this agreement is null and void should UUI not receive grant funds related to this agreement.


Tommy Phillip Sr. - President

Native Village of Kongiganak

October 29, 2003



August 10, 2004

Ms. Ellen Lance
Endangered Species Biologist
U.S. Fish & Wildlife Service
Anchorage Fish and Wildlife Field Office
605 W. 4th Avenue, Room G-61
Anchorage, AK 99501

Dear Ms. Lance:

**ERECTION OF TELECOMMUNICATIONS TOWERS AT TUNTUTULIAK,
KONGIGANAK AND KWIGILLINGOK**

Thank you for meeting with us yesterday to discuss our proposed towers at Kongiganak and Kwigillingok and the topics you raised in your emails to us dated August 2nd and 3rd. Due to the fact that both villages are adjacent to Steller's eider critical habitat and within spectacled eider breeding habitat, you made some suggestions as to how UUI could avoid adversely affecting the eiders in the area.

We respond to your correspondence relating to Kongiganak and Kwigillingok as follows:

1. You suggested that UUI increase visibility of the tower to migrating and nesting birds, particularly in low visibility situations. In addition to the proposed tower lighting, and in order to increase visibility, UUI will place bird deterrent tape on the section of the tower that stands 20 to 40 feet in height. We will ensure that this tape is in place during April 1 through October 1, the time when the eiders usually fly in this area.
2. You suggested that we install predator proof fences around the perimeter of the towers and monitor for strikes. We had planned to install six foot high fencing around towers for safety reasons. We will now upgrade the fencing at both of these sites and agree to install predator proof fencing. Although the sites are unmanned, we will request that our local representatives monitor the sites for eider strikes. We will provide our representatives with photographs of the eider ducks, which will assist them in the identification of the species. In the event that there is a strike, we will request our representative to take a photograph of the bird. We will supply you with any such photograph. If possible, we will attempt to deliver the frozen carcass, or a wing, to you.
3. You indicated that ground work should be conducted outside of the breeding season (April 1 through July 1). As we explained to you, both sites are winter construction sites and ground work will be completed prior to April 1 or after July 1.
4. You queried whether the power lines to the sites would run overland or be buried. If they were to be erected overland, you indicated that you would like to discuss the use of bird deterrent devices on the power lines. As we explained, both power lines will probably run overland. The new Kongiganak power line will be approximately 1.2 miles in length. In Kwigillingok, we will run a drop for approximately 100 feet from the existing

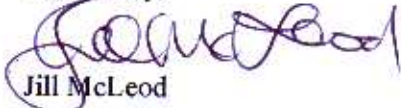
power line to our building on site. The local power company in each village will own and erect the power lines. We will work with both of these companies to install effective bird deterrent devices, such as "flappers", on the power lines. Guy guards will also be placed on the pole line guy wires. We volunteer to place several signs in the village, including at our site, requesting locals to contact USF&WS in the event a strike is found in the village. We look forward to receiving your suggested wording and layout for these signs.

We are of the opinion that these mitigating steps will reduce risk to threatened eiders in the area and, as a result, that our proposed towers are not likely to adversely affect any threatened or endangered species, or designated or proposed critical habitats in Kongiganak and Kwigillingok.

Our research shows that no threatened or endangered species or designated or proposed critical habitats are present in Tuntutuliak. Therefore, we are of the opinion that there will be no effect on any threatened or endangered species, or designated or proposed critical habitats in Tuntutuliak. You indicated at our meeting that you agree with this assessment and that you will supply us with a letter to this effect shortly.

We look forward to receiving your concurrence with our assessment of the Tuntutuliak, Kongiganak and Kwigillingok sites.

Yours truly,



Jill McLeod

CC: Ms. Mary Leykom, Regulatory Specialist, US Army Engineer District, Alaska



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Anchorage Fish & Wildlife Field Office
605 West 4th Avenue, Room G-61
Anchorage, Alaska 99501-2249

in reply refer to
AFWFO

August 12, 2004

Jill McLeod
United Utilities, Inc.
5450 A Street
Anchorage, Alaska 99518-1291

Re: Microwave Tower Installations in Tuntutuliak, Kongiganak, and Kwigillingok (*consultation number 2004250*)

Dear Ms. McLeod,

This letter is in reply to a request for concurrence with your determination that the installation of a microwave tower in the village of Tuntutuliak will have no effect on threatened or endangered species or their critical habitat, and installation of a microwave tower in Kongiganak and Kwigillingok is not likely to adversely affect threatened and endangered species or their critical habitat. This project, which is being permitted by the Federal Communications Commission (FCC) and U.S. Corp of Engineers (USCOE), proposes to erect an 80-foot tower in Tuntutuliak, a 235-foot tower in Kongiganak, and a 254-foot tower in Kwigillingok. All towers are self supporting and do not require guy wires. A 1.2-mile power line will be installed overland from the village to the microwave tower in Kongiganak, and in Kwigillingok the power line will be extended 100 feet from the existing line. Guy guards will be installed on the power line pole guy wires, and as per our conversation on August 9, 2004, the guy guards will be installed in segments along the entirety of the guy wires to increase their visibility to birds. Furthermore, United Utilities will assist the local utilities in the purchase and installation of bird deterrent devices to be hung on the power lines to reduce the risk of bird strikes on the wires. The towers will be lighted with a medium intensity, white strobe for twilight and daylight, and a lower-intensity red strobe at night as per Federal Aviation Administration (FAA) requirements for those sites. Bird deterrent tape will be strung between 20 and 40 feet to increase visibility of the tower to flying eiders. The tape will be maintained in good condition between 1 April and 1 October of each year. Predator proof fences will be installed around the perimeter of the towers in Kongiganak and Kwigillingok to monitor for bird strikes on the towers. Information will be disseminated to the residents of the villages, encouraging the collection and photographic archival of any bird found dead or wounded in the vicinity of the towers or power lines. Finally, ground work will not occur during the spectacled eider breeding season (1 April through 1 July).

Kongiganak is in the vicinity of Critical Habitat designated for the Steller's eiders (*Polysticta stelleri*), listed as threatened under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq: 87 stat 884, as amended), and is within the historic breeding range of spectacled eiders (*Somateria fischeri*), which was listed as threatened in 1993. Both Steller's and spectacled eiders are known to collide with on-land towers and wires. While they are believed to follow the

coastline during migration, Steller's eiders have been reported striking inland power lines. Eiders fly approximately 30 feet above the surface of water and land at a speed of about 30 mph, and they tend to migrate at night.

The Service concurs with your determination that installation of the tower in Tuntutuliak will have no effect on threatened or endangered species, as no such species occur in this village. Additionally, the Service concurs with your determination that the installations of the towers and power lines in Kongiganak, and in Kwigillingok are not likely to adversely affect threatened Steller's or spectacled eiders or their critical habitat. Although Kongiganak, and in Kwigillingok are near Steller's eider critical habitat and within potential spectacled eider breeding habitat, the measures that have been built into this project to reduce risk to eiders allow the Service to believe that the probability that a Steller's or spectacled eider will strike the towers or power lines is so low as to be discountable.

If, during the life of this project Steller's or spectacled eiders are observed around the tower or power lines or a collision is documented, the Service should be notified immediately and consultation should be reinitiated. Preparation of a biological assessment or further consultation under section 7 of Act regarding this project is not necessary at this time.

This letter relates only to federally listed or proposed species and/or designated or proposed critical habitat under our jurisdiction. It does not address species under the jurisdiction of National Marine Fisheries Service, or other legislation or responsibilities under the Fish and Wildlife Coordination Act, Clean Water Act, National Environmental Policy Act, Migratory Bird Treaty Act, or the Bald and Golden Eagle Protection Act.

This concludes section 7 consultation on the Microwave Tower Installations in Tuntutuliak, Kongiganak, and Kwigillingok. Thank you for your cooperation in meeting our joint responsibilities under section 7 of the Endangered Species Act. If you have any questions, please contact me at (907) 271-1467. In future correspondences regarding this consultation please refer to consultation number 2004250.

Sincerely,



Ellen Lance
Endangered Species Biologist

cc: Mary Leykom, USCOE

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS AND OUTDOOR RECREATION OFFICE OF HISTORY AND ARCHAEOLOGY

FRANK H. MURKOWSKI, GOVERNOR

550 W. 7th Ave., SUITE 1310
ANCHORAGE, ALASKA 99501-3565
PHONE: (907) 269-8721
FAX: (907) 269-8908

FAXED
6/23/04

June 23, 2004

File No.: 3130-1R RUS

SUBJECT: United Utilities Communication Towers

Greg DuBois
United Utilities Inc.
5450 A Street
Anchorage, AK 99518-1291

Dear Mr. DuBois

We have reviewed the referenced permit for potential impacts to historic and archaeological resources under Section 106 of the National Historic Preservation Act. According to Alaska Heritage Resources Survey records, several of the proposed tower sites have the potential to impact cultural resources.

- Mekoryuk: The proposed tower is located within the boundaries of XNI-001 (Mekoryuk) and has the potential to impact this site.
- Nightmute: The proposed tower is located in the vicinity of XBI-031 (Nightmute Pingo) and has the potential to impact this site

The following project areas are considered to be of high potential for unknown archaeological sites:

- Upper Kalskag (Kalskag Hill): The proposed location is a large hill that overlooks both the Kuskokwim River and a large lake and has the potential for unknown cultural resources.
- Tununak (Ugchirnak Mountain): The proposed location is a large hill that overlooks Tununak Bay and River, as well as the prehistoric/historic/modern village of Tununak and has the potential for unknown cultural resources.

Our office recommends that an archaeological survey be conducted to determine if there will be adverse effects to the known cultural resources. If archaeological survey activities locate any presently unknown cultural resources, a determination of eligibility for the National Register of Historic Places needs to be completed. If a site is determined eligible, it needs to be determined if the proposed project will have an adverse effect. If

the proposed project is determined to have an adverse effect, mitigation measures will need to be agreed upon through consultation with our office.

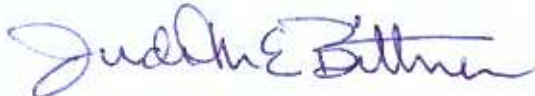
The State Historic Preservation Office concurs with your findings of No Historic Properties Affected for the following project areas:

- Bethel, Eek, Lower Kalskag, Cheforak, Tuntutuliak, Kongiganak, Kwigillingok, Kipnuk, and Newtok

While we are not recommending an archaeological survey for these areas, it is a possibility that cultural resources will be inadvertently discovered as a result of ground altering activities. If this situation occurs, work that may disturb these resources should be stopped. The State Historic Preservation Office should be contacted immediately so that compliance with Section 106 and its implementing regulations may begin.

Please contact Margie Goatley at 269-8722 if you have any questions or if we can be of further assistance.

Sincerely,



Judith E. Bittner
State Historic Preservation Officer

JEB:mmg

Kongiganak | Council Office: (907) 557-5225 | Revised: March 2000

STATUS	unincorporated	LAST FLOOD EVENT	
POPULATION	359	FLOOD CAUSE	
BUILDINGS		ELEVATION	
RIVER SYSTEM	Kognignanohk River	FLOOD OF RECORD	
COASTAL AREA	Kuskokwim Bay	FLOOD CAUSE	
		ELEVATION	
NFIP STATUS	not participating	WORST FLOOD EVENT	
FLOODPLAIN REPORT	no	FLOOD CAUSE	
FLOOD INSURANCE STUDY	no	FLOOD GAUGE	no

Comments: The 100-year flood or Base Flood Elevation has been calculated to be 20.7 ft MLLW. Most of the community is located at 30 ft MLLW. The community is located 5.5 miles upstream of the mouth of the Kognignanohk River but is still susceptible to coastal storms.

Pagemaster | (907) 753-2622 Floodplain Manager | (907) 753-2610
